

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 04044 311639Z

44

ACTION EB-11

INFO OCT-01 EUR-25 IO-13 ADP-00 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-10 PA-03 RSC-01 AID-20 CIEP-02 SS-15

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 OMB-01 AF-10

ARA-16 EA-11 NEA-10 OIC-04 RSR-01 /234 W

----- 100689

R 311530Z JUL 73

FM USMISSION GENEVA

TO SECSTATE WASHDC 884

INFO AMEMBASSY PARIS

AMEMBASSY THE HAGUE

AMEMBASSY BRUSSELS

USEC BRUSSELS UNN

USOECD PARIS UNN

LIMITED OFFICIAL USE GENEVA 4044

E.O. 11652: N/A

TAGS: ETRD, GATT, US, EEC, BE, NL, FR

SUBJ: ARTICLE XXIII:2-DISC AND US COUNTERCOMPLAINTS

REF STATE 144469

1. SUMMARY: FOUR TECHNICALLY SEPARATE PANELS BUT WITH IDENTICAL MEMBERSHIP, TO INCLUDE AT LEAST ONE TAX EXPERT, ESTABLISHED BY GATT COUNCIL JULY 30 TO EXAMINE EC COMPLAINT AGAINST US DISC AND US COMPLAINTS AGAINST TAX PRACTICES OF FRANCE, BELGIUM AND NETHERLANDS. MEMBERS TO BE APPOINTED BY COUNCIL CHAIRMAN IN AGREEMENT WITH PARTIES CONCERNED. END SUMMARY.

2. US (MILLER) CONSULTED EC REP (PHAN VAN PHI) AND FRENCH, BELGIAN, AND DUTCH GATT PERMREPS JULY 25-27 PER REFTEL ABOUT HANDLING OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 04044 311639Z

RESPECTIVE ARTICLE 23:2 TAX PRACTICES COMPLAINTS. PHAN

CONFIRMED BILATERALLY AND LATER IN COUNCIL THAT EC WANTS PANEL AND NOT WILLING TO ACCEPT US PROPOSAL OF GENERAL WORKING PARTY. MEMO CONTAINING US POINTS GIVEN TO THEM IN ADVANCE AND OUTLINED ORALLY DURING JULY 30 COUNCIL MEETING. THESE REPS HAD NO OBJECTION TO ANY OF OUR CONDITIONS EXCEPT PARA 1C REFTTEL WITH RESPECT TO WHICH EC MEMBER STATE POSITIONS WERE SLIGHTLY NUANCED. EC REP VOLUNTEERED IN COUNCIL THAT DELEGATES WOULD BE FREE TO USE ANY LINE OF ARGUMENTATION THEY CONSIDER APPROPRIATE WHEN APPEARING BEFORE PANEL. FRENCH, BELGIAN, AND NETHERLAND REPS STRESSED IN COUNCIL THAT PANELS ON US COMPLAINTS AGAINST THEIR TAX PRACTICES ARE COMPLETELY DISTINCT BOTH PROCEDURALLY AND SUBSTANTIVELY FROM PANEL ON DISC AND US COMPLAINTS SHOULD BE DEALT WITH INDEPENDENTLY OF ANY OTHER MATTER. PRIVATELY, BELGIAN DELEGATION ACKNOWLEDGED US FREE TO SAY ANYTHING IT WANTS TO PANEL BUT IN THEIR VIEW IT IS FOR PANEL ITSELF TO DECIDE ADMISSABILITY OR RELEVANCE OF ANY ARGUMENTS US MAY ADVANCE.

3. TERMS OF REFERENCE FOR PANEL ON DISC AGREED AS FOLLOWS: TO EXAMINE THE MATTER REFERRED BY THE EC TO THE CONTRACTING PARTIES PURSUANT TO PARA 2 OF ARTICLE XXIII RELATING TO US TAX LEGISLATION ON DISC AND TO MAKE SUCH FINDINGS AS WILL ASSIST CPS IN MAKING THE RECOMMENDATIONS OR RULINGS PROVIDED FOR IN PARA 2 OF ARTICLE XXIII. SAME TERMS OF REFERENCE ADOPTED FOR THREE OTHER PANELS (SUBSTITUTING US FOR EC AND "TAX PRACTICES MAINTAINED BY FRANCE/BELGIUM/NETHERLANDS" FOR "LEGISLATION ON DISC" IN ABOVE TEXT).

4. CHAIR SAID HE WOULD APPOINT CHAIRMAN AND NOT MORE THAN 3 OTHER MEMBERS WITH AT LEAST ONE AND NOT MORE THAN TWO TAX EXPERTS TO HANDLE ALL FOUR PANELS. COMPOSITION WILL BE DECIDED "IN CONSULTATION, THAT IS TO SAY FULL AGREEMENT" WITH PARTIES DIRECTLY CONCERNED.

5. TIMING NOT DISCUSSED IN COUNCIL. PRIVATELY WE CONTINUE TO GET SIGNALS EC IN NO HURRY. WE HAVE NOT YET BEEN ASKED WHO WE HAVE IN MIND AS TAX EXPERT MEMBER OR MEMBERS. SUGGEST WE SHOULD LEAVE INITIATIVE WITH EC TO PROPOSE ACTUAL SETTING UP OF PANEL (S) BUT WOULD APPRECIATE HAVING ANY US SUGGESTIONS (PARA 4 REFTTEL) IN HAND BY EARLY SEPTEMBER IN CASE EC WISHES MOVE AHEAD AFTER SUMMER BREAK.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 04044 311639Z

BASSIN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973GENEVA04044
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973073/aaaaabnw.tel
Line Count: 109
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 144469
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 19 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19-Sep-2001 by freemaal>; APPROVED <30-Oct-2001 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ARTICLE XXIII:2-DISC AND US COUNTERCOMPLAINTS
TAGS: ETRD, US, BE, NL, FR, GATT, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005